PUBLIC AUCTION

Ulster County Office Building Legislative Chambers, 6th Floor 10:00 AM, October 16, 2013

TERMS OF SALE

The foregoing information and descriptions are complete as far as the records and knowledge of the undersigned indicate. An express condition of sale is that no warranty or representation is made as to the accuracy of any description or as to title, that the premises abut or have a right of access to a public road, or that premises are free from notices of violations of law or municipal ordinances. The County makes no representation that any parcel is free from mortgages, liens, judgments or encumbrances of any kind; that any buildings or improvements exist, even though the descriptions may state that the buildings or improvements exist. All parcels will be sold individually, "as is", "where is".

At the time the premises are struck down, the successful bidder will be required to pay at least thirty percent 30% of his or her bid by cash, certified check, cashier's check or money order, made payable to the Ulster County Commissioner of Finance. The balance of said bid shall be due in five (5) business days in the same form of payment.

The right is reserved by the undersigned to withdraw any of the aforementioned parcels from such sale at any time before the same are struck down, or to reject any and all bids made at the time of the sale with respect thereto, if the undersigned determines that a bidder is not qualified.

At the time and place of Auction, all purchasers will sign a memorandum of purchase wherein the purchaser affirms that he or she is not acting on behalf of any person or entity prohibited from bidding under the terms of the August 27, 2012 & June 6, 2013 Orders of the Ulster County Supreme Court.

Transfer Gains and Equalization & Assessment forms must be fully completed by the apparent successful bidder at the time of the auction, to allow recording of the deed. There will be an additional fee for the recording of the deed, transfer gains and equalization and assessment forms. All fees shall be paid by the successful bidder/purchaser.

The conveyances shall each be in the form of a quitclaim deed and shall be made, executed and delivered subject to the condition and covenant that Lower Esopus River Watch (LERW), the State of New York, the Attorney General and the County of Ulster shall in no event be or become liable for any defects in the title so conveyed for any cause whatsoever, and that no claim or demand, of any nature, shall ever be made against LERW, the State of New York, the Attorney General or the County of Ulster arising from such sale or any proceedings leading thereto.

Successful bidders shall be responsible for the payment of all unpaid real estate and school taxes, for the payment of the 2013-14 school taxes, any town water and sewer rents and assessments and any other applicable charges (including but not limited to, omitted and pro-rated taxes, demolition charges and interest and penalties) and all subsequent tax levies.

BY ORDER OF THE COURT Burton Gulnick, Jr.

Ulster County Commissioner of Finance/Auctioneer

Phone: (845) 340-3297

Website: www.ulstercountyny.gov

Parcel # 1

Town of Rosendale

SBL #: 62.2-3-1

Location: Lucas Ave. Ext.

Acreage: 8.20

Assessed Value: \$61,400

Unpaid Taxes: \$ 8,087.49

Parcel # 2

Town of Rosendale

SBL#: 62.82-2-18

Location: Josephine Avenue

Acreage: .22

Assessed Value: \$ 300

Unpaid Taxes: \$ 394.63

Parcel # 3

Town of Rosendale

SBL#: 62.82-5-22

Location: Main Street

Acreage: .14

Assessed Value: \$ 38,400

Unpaid Taxes: \$ 4,817.46

Parcel #4

Town of Rosendale

SBL#: 63.5-1-25

Location: Whiteport Rd.

Acreage: .40

Assessed Value: \$24,900

Unpaid Taxes: \$ 3,193.76

Parcel #5

Town of Shawangunk

SBL#: 98.4-1-26

Location: 128 Oregon Trail

Acreage: .61

Assessed Value: \$1,050

Unpaid Taxes: \$ 961.69

NOTICE IS HEREBY GIVEN, that, pursuant to the August 27, 2012 and June 6, 2013 Orders of the Ulster County Supreme Court in the matter of *Schneiderman v. Lower Esopus River Watch, Inc. et al.*, Index No. 08-5067, Burton Gulnick, Jr., Ulster County Commissioner of Finance, will sell at public auction the five (5) parcels of real property owned by Lower Esopus River Watch, Inc. ("LERW") at the Ulster County Legislative Chambers, 6th Floor, 244 Fair Street, Kingston, New York on **October 16, 2013** at 10:00 a.m., said parcels described, with town, tax map parcel number, street name and acreage, as follows:

Town of Rosendale:

62.2-3-1, Lucas Avenue Ext, 8.20 acres 62.82-2-18, Josephine Avenue, .22 acre 62.82-5-22, Main Street, .14 acre 63.5-1-25, Whiteport Road, .40 acre; and

Town of Shawangunk:

98.4-1-26, 128 Oregon Trail, .61acre; and

All parcels will be sold individually, "as is", "where is", without warranties as to title and subject to the payment by the winning bidder of the local real estate and school taxes owed by LERW and subject to the terms and conditions of the auction.

For a copy of the August 27, 2012 and June 6, 2013 Orders, the terms and conditions of the auction and for further information about the properties, please go to the following website, http://www.co.ulster.ny.us/resources/finance.html. Questions can also be addressed to the office of the Ulster County Commissioner of Finance at 845-340-3297.



ERIC T. SCHNEIDERMAN ATTORNEY GENERAL DIVISION OF SOCIAL JUSTICE CHARITIES BUREAU

September 12, 2012

By Fax (518) 270-5435

The Honorable Henry F. Zwack Rensselaer County Courthouse 80 2nd Street, 3rd Floor Troy, New York 12180

Re

Schneiderman v. Lower Esopus River Watch, Inc. et al. Index No. 08-5067, Ulster County Supreme Court

Dear Judge Zwack:

I write to request a revision to the attached Order Authorizing Sale of Real Property entered on August 28, 2012 (the "Auction Order"). The Auction Order requires that the land owned by Lower Esopus River Watch, Inc. ("LERW") be sold at auction by September 21, 2012. Exhibit 1 to the Order is a Legal Notice which scheduled the auction for September 14, 2012 and which ran in The Kingston Daily Freeman and the Times Herald-Record over the last two weeks.

As noted in the attachments to the original Order to Show Cause, several of LERW's parcels of land are considered protected wetlands. We understand that one or more land-trust organizations may be interested in purchasing these parcels as a method of additional open space protection, but will not be able to complete their due diligence by this Friday.

We believe that a postponement of the auction to October 5, 2012 will enable any such organizations to complete their due diligence, maximize opportunity for all bidders and facilitate a more successful auction. I have spoken with representatives of the County and LERW and they do not object to the postponement. I have also e-mailed Mr. Fritschler for his comments, but have not received a response.

In order to publicize the postponement, the County will issue a press release and include a notice on the website of the County's Commissioner of Finance. In addition, the legal notice, attached as Exhibit 1 to the Auction Order, will be revised to include the

Hon. Henry F. Zwack September 12, 2012 Page 2

new auction date and time and published in the Daily Freeman and Times-Herald-Record at least once prior to October 5, 2012. Finally, the Commissioner of Finance will take any other steps that he feels are necessary to adequately notify the public of the postponement of the auction.

As a result, we respectfully request that the Court so-order this letter to approve the adjournment of the auction date from September 14, 2012 to October 5, 2012. Thank you for the Court's time and consideration of this matter.

9/13/2012

Respectfully Submitted,

Nathan M. Courtney Assistant Attorney General

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cc. Frederick Fritschler, pro se, (by fax and by e-mail) Edward G. Williams, Esq., (by fax and by e-mail) Beatrice Havranek, Esq. (by fax and by e-mail)

SO ORDERED:

The Honorable Henry F. Zwack

Acting Justice Supreme Court

At a term of the Supreme Court of the State of New York held in and for the County of Ulster at Kingston, New York on the 27 day of August, 2012

PRESENT: HON, HENRY F. ZWACK, ACTING J.S.C.

FILED 9_H41_M

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF ULSTER

刘6 28 2012

ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, on behalf of the People of the State of New York, Nina Postupack
Ulater County Clark

Plaintiff,

- against -

LOWER ESOPUS RIVER WATCH, INC., FREDERICK FRITSCHLER, R. DIXON ONDERDONK, DAVID B. STRAUS, BRUCE C. DUFFY, JENNIFER A. MCLEROY and JOEL SHUMAN, ORDER AUTHORIZING SALE OF REAL PROPERTY

Index No. 08-5067 RJI No. 55-09-00729

Defendants.

UPON the Order to Show Cause in the captioned action returnable August 9, 2012; the affirmation of Assistant Attorney General Nathan M. Courtney, dated July 12, 2012; the Stipulation of Settlement herein entered December 3, 2009 (the "2009 Settlement") filed in support thereof; the proof of service upon the interested parties having been filed; and no opposition thereto having been filed; and upon due deliberation of all of the proceedings and other papers heretofore filed herein, pursuant to the provisions of Not-for-Profit Corporation Law § 1008, it is hereby

ORDERED, that the following real property owned by Lower Esopus River Watch, Inc. ("LERW"), shall be sold individually, "as-is" and "where-is," at a public auction (the "Auction") to be conducted prior to September 21, 2012:

| Property Name & Tax Map Parcel # | Location |
|-------------------------------------|------------|
| Lucas Avenue 62.2-3-1 | Rosendale |
| Josephine Avenue 62.82-2-18 | Rosendale |
| Main Street 62.82-5-22 | Rosendale |
| Whiteport Road. 63.5-1-25 | Rosendale |
| Oregon Trail 98.4-1-26 | Shawangunk |
| Rousner Lane 71.3-5-15 | Esopus |
| Rousner Lane 71.3-5-16 | Esopus |
| Rousner Lane 71.3-5-18 | Esopus |
| Rousner Lane 71.3-5-20 | Esopus |
| Rousner Lane 71.3-5-22 | Esopus |
| Rousner Lane 71.3-5-23 | Esopus |
| Rousner Lane 71.3-5-29 | Esopus |

and it is further,

This parcel was incorrectly identified as 62.82-3-1 in the Order to Show Cause

ORDERED, that Burton Gulnick, Jr., Ulster County Commissioner of Finance, is hereby appointed auctioneer of the public sale (the "Auctioneer"), and shall serve without compensation except for reimbursement from LERW for the payment of his reasonable out of pocket expenses; and it is further

ORDERED, that notice of the Auction shall be made by (i) publication of the legal notice attached hereto as Exhibit "1" once per week for the two weeks immediately prior to the sale in The Kingston Daily Freeman and the Times Herald-Record, and (ii) by any other means deemed necessary by the Auctioneer to adequately provide public notice of the sale; and it is further

ORDERED, that the Auctioneer shall establish reasonable terms of sale, including, but not limited to, participation by qualified bidders only; and it is further

ORDERED, that Defendant Frederick Fritschler ("Fritschler"), or any entity controlled or affiliated with Fritschler or any of their representatives is prohibited from bidding at the Auction; and it is further

ORDERED, that Dixon Onderdonk, as president of LERW, is hereby directed to execute the appropriate documents of title, as may be necessary, to effectuate the transfer of right, title and interest of LERW's real property to (i) the Auction's successful bidder(s) or, (ii) if there are no bidders, to Ulster County (the "County"). The conveyances shall each be in the form of a quitclaim deed and shall be made, executed and delivered subject to the condition and covenant that LERW, the State of New York, the Attorney General and the County of Ulster shall in no event be or become liable for any defects in the title so conveyed for any cause whatsoever, and that no claim or demand of any nature shall ever be made against LERW, the State of New York, the Attorney General or the County of Ulster arising from such sale or any proceedings leading thereto; and it is further

ORDERED, that the winning bidder(s) pay the real estate and school taxes due and owing on the parcel(s) of property to be purchased, and, in the case of those parcels transferred to the County, directing that the transfer is subject to the assumption by the County of LERW's local real estate and school taxes; and it is further

ORDERED, that the proceeds of the public sale be deposited in an escrow account maintained by the Office of the Attorney General pending further Order of this Court pursuant to the terms of the 2009 Settlement, including a determination of the amount of reasonable attorneys' fees and reimbursement of expenses due to LERW's counsel, Stewart Occhipinti, LLP, Edward G. Williams, Esq., of counsel, and the amount due to the County of Ulster.

DATED: August 27Th 2012

ENTER

Hon. Henry F. Zwack,

Acting Justice of the Supreme Court

9 HAL M

Nina Postupack Ulster County Clerk

EXHIBIT "1"

NOTICE IS HEREBY GIVEN, that, pursuant to the August ____, 2012 Order of the Ulster County Supreme Court in the matter of Schneiderman v. Lower Esopus River Watch, Inc. et al., Index No. 08-5067. Burton Gulnick, Jr., Ulster County Commissioner of Finance, will sell at public auction the twelve (12) parcels of real property owned by Lower Esopus River Watch, Inc. ("LERW") at the Ulster County Legislative Chambers, 6th Floor, 244 Fair Street, Kingston, New York on September 14th, 2012 at 10:00 A.M., said parcels described, with town, tax map parcel number, street name and acreage, as follows:

Town of Rosendale:

62.2-3-1, Lucas Avenuc Ext, 8.20 acres

62.82-2-18, Josephine Avenue, .22 acre

62.82-5-22, Main Street, .14 acre

63.5-1-25, Whiteport Road, .40 acre; and

Town of Esopus:

71.3-5-15, Rousner Lane, 8.00 acres

71.3-5-16, Rousner Lane, 8.00 acres

71.3-5-18, Rousner Lane, 10.00 acres

71.3-5-20, Rousner Lane, 26.00 acres

71.3-5-22, Rousner Lane, 4.00 acres

71.3-5-23, Rousner Lane, 4.00 acres

71.3-5-29, Rousner Lane, 52.90 acres; and

Town of Shawangunk:

98.4-1-26, 128 Oregon Trail, .61 acre.

All parcels will be sold individually, "as-is," "where-is," without warranties as to title and subject to the payment by the winning bidder of the local real estate and school taxes owed by LERW and subject to the terms and conditions of the auction.

For a copy of the August ____, 2012 Order, the terms and conditions of the auction and for further information about the properties, please go to the following website: http://www.ulstercountyny.gov/finance/index.html. Questions can also be addressed to the office of the Ulster County Commissioner of Finance at 845-340-3297.

At a term of the Supreme Court of the State of New York held in and for the County of Ulster at Kingston, New York on the day of June, 2013

PRESENT: HON. MICHAEL MELKONIAN, ACTING J.S.C.

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF ULSTER

ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, on behalf of the People of the State of New York.

Plaintiff.

- against -

LOWER ESOPUS RIVER WATCH, INC., FREDERICK FRITSCHLER, R. DIXON ONDERDONK, DAVID B. STRAUS, BRUCE C. DUFFY, JENNIFER A. MCLEROY and JOEL SHUMAN,

Defendants.

ORDER REVISING AUCTION ORDER

Index No. 08-5067



UPON the Order to Show Cause in the captioned action returnable May 24, 2013; the affirmation of Assistant Attorney General Nathan M. Courtney, dated May 3, 2013; the August 27, 2012 Order Authorizing Sale of Real Property of Hon. Henry F. Zwack (the "Auction Order"); the proof of service upon the interested parties having been filed; and no opposition thereto having been filed; and upon due deliberation of all of the proceedings and other papers heretofore filed herein, pursuant to the provisions of Not-for-Profit Corporation Law § 1008, it is hereby:

ORDERED, that the Auction Order is hereby revised:

a. to allow for the seven parcels of real property owned by Lower Esopus River
Watch, Inc. ("LERW") listed on Schedule 1 hereto and located in the Town of

Esopus (the "Esopus Parcels") to be sold to Scenic Hudson, Inc. for \$40,000, by quitclaim deed;

- b. to authorize the Ulster County Commissioner of Finance to auction (i) the remaining five parcels of LERW's real property on Schedule 1 hereto and (ii) the Esopus Parcels in the event that the sale of these parcels to Scenic Hudson does not close; and
- to allow for the proceeds of the sale of LERW's real property to be paid directly to
 Ulster County.

DATED: June ______, 2013

ENTER

Hon. Michael Melkonian,

Acting Justice of the Supreme Court

Ulster County Clerk

| Property Name | Location |
|-----------------------------|------------|
| & Tax Map Parcel # | |
| Lucas Avenue | Rosendale |
| 62.2-3-1 | |
| | B 11 |
| Josephine Avenue 62.82-2-18 | Rosendale |
| 02.02-2-10 | |
| Main Street | Rosendale |
| 62.82-5-22 | |
| Whiteport Road | Rosendale |
| 63.5-1-25 | 1100cmano |
| | |
| Oregon Trail | Shawangunk |
| 98.4-1-26 | |
| Rousner Lane | Esopus |
| 71.3-5-15 | |
| | F |
| Rousner Lane 71.3-5-16 | Esopus |
| 71.3-3-10 | |
| Rousner Lane | Esopus |
| 71.3-5-18 | |
| Rousner Lane | Esopus |
| 71.3-5-20 | 250240 |
| | |
| Rousner Lane | Esopus |
| 71.3-5-22 | |
| Rousner Lane | Esopus |
| 71.3-5-23 | |
| | |
| Rousner Lane | Esopus |
| 71.3-5-29 | |
| | |

Schedule 1